

**STATEMENT OF  
COMMISSIONER MICHAEL O'RIELLY**

Re: *Connect America Fund*, WC Docket No. 10-90, *Allband Communications Cooperative Petition for Waiver of Certain High-Cost Universal Service Rules*.

When a universal service funding recipient seeks a waiver of Commission rules to obtain additional support, the company must be prepared to demonstrate that there is good cause to grant the request. That includes providing complete and accurate documentation to support its request. Then, the Commission has the responsibility, on behalf of all businesses and consumers that pay into the universal service fund, to conduct a thorough review to ensure that the amount of support we provide is necessary and appropriate.

If it comes to the Commission's attention that the amount of support provided may not be fully justified, the Commission must examine the facts and make appropriate adjustments consistent with our rules. At the same time, absent any indication of intentional wrongdoing, the Commission should not be unnecessarily hasty in recouping support provided pursuant to a previously granted waiver if it is unsure whether some amount of additional support would have been appropriate. This is particularly important in instances where consumers could lose access to voice service in areas where there are no other providers, as could be the case in this instance. It would be odd indeed for the same Commission that just voted extra "protections" for consumers switching voice service during tech transitions to turn a blind eye to the plight of consumers that could lose service altogether.

Therefore, I am pleased that my colleagues agreed to defer any claw back of support until a determination can be made about what amount of support should have been provided. To be clear, I have no difficulty recouping the full amount of funding provided under the waiver—to the extent that the facts and circumstances justify that step. The company will also have the opportunity to seek a new waiver once it revises its documentation consistent with our rules. I urge the company, USAC, and the Commission to work expeditiously to resolve these outstanding questions.